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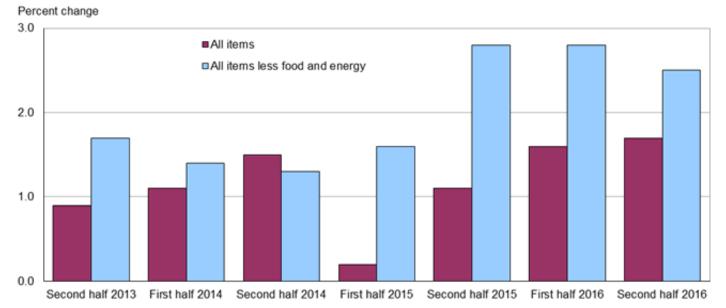
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# Consumer Price Index, Pittsburgh – Second Half 2016 Local prices up 1.7 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Pittsburgh area advanced 1.7 percent from the second half of 2015 to the second half of 2016, the U.S. Bureau of Labor Statistics reported today. Sheila Watkins, the Bureau's regional commissioner, noted that this was due to a 2.5-percent rise in the all items less food and energy index. (See chart 1.) The energy index declined 3.1 percent since the second half of 2015, and the food index inched down 0.1 percent.

Chart 1. Over-the-year percent change in CPI-U, Pittsburgh, second half 2013–second half 2016



Source: U.S. Bureau of Labor Statistics.

#### Food

Food prices inched down 0.1 percent since the second half of 2015. Food at home prices declined 1.8 percent, while those for food away from home increased 2.3 percent.

## **Energy**

The energy index, which includes prices for household and transportation fuels, declined 3.1 percent from the second half of 2015 to the second half of 2016, due mainly to a 4.6-percent drop in gasoline prices. Prices for electricity and utility (piped) gas service also declined over the year, down 1.1 and 0.4 percent, respectively.

### All items less food and energy

Over the year, the index for all items less food and energy rose 2.5 percent. The increase was led by higher prices for shelter, up 2.4 percent. Prices were also higher for several other categories including apparel (11.0 percent), other goods and services (5.6 percent), and medical care (2.6 percent).

The Consumer Price Index for the first half of 2017 is scheduled to be released on July 14, 2017.

#### **Technical Note**

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers approximately 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/pdf/homch17.pdf.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **Note: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.** 

The **Pittsburgh**, **Pa.** metropolitan statistical area covered in this release is comprised of Allegheny, Armstrong, Beaver, Butler, Fayette, Washington, and Westmoreland Counties in Pennsylvania.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods, Pittsburgh, PA (1982-84=100 unless otherwise noted)

Expenditure category	Indexes				Percent change from	
	Historical data	2nd Half 2015	1st Half 2016	2nd Half 2016	2nd Half 2015	1st Half 2016
All items	W	241.972	(r)243.000	246.118	1.7	(r)1.3
Food and beverages	W	255.464	255.160	255.191	-0.1	0.0
Food	M	255.130	254.871	254.791	-0.1	0.0
Food at home	W	251.806	250.246	247.271	-1.8	-1.2
Food away from home	**	261.828	263.318	267.783	2.3	1.7
Alcoholic beverages	W	260.287	259.706	261.312	0.4	0.6
Housing	W	243.792	244.927	248.010	1.7	1.3
Shelter	<b>₩</b>	275.490	277.851	282.229	2.4	1.6
Rent of primary residence(1)	W	235.923	237.223	240.441	1.9	1.4
Owners' equivalent rent of residences(1)(2)	M	275.216	277.946	281.849	2.4	1.4
Owners' equivalent rent of primary residence(1)(2)	W	275.216	277.946	281.849	2.4	1.4
Fuels and utilities	M	243.616	240.785	245.032	0.6	1.8
Household energy	₩ ₩	219.047	212.755	215.799	-1.5	1.4
Energy services(1)	W	216.115	211.488	213.895	-1.0	1.1
Electricity(1)	W	196.056	194.960	193.968	-1.1	-0.8
Utility (piped) gas service(1)	M	192.543	181.312	191.719	-0.4	5.7
Household furnishings and operations	W.	149.972	148.720	146.495	-2.3	-1.5
Apparel	W	159.920	172.414	177.586	11.0	3.0
Transportation	W	182.238	178.814	181.111	-0.6	1.3
Private transportation	W	178.326	174.178	177.381	-0.5	1.8
Motor fuel	** **	226.329	198.927	215.703	-4.7	8.4
Gasoline (all types)	W	228.603	201.055	218.025	-4.6	8.4
Gasoline, unleaded regular(3)	W	223.693	195.387	212.438	-5.0	8.7
Gasoline, unleaded midgrade(3) (4)	N	252.265	225.258	241.883	-4.1	7.4
Gasoline, unleaded premium(3)	W	229.687	207.408	224.040	-2.5	8.0
Medical care	N	465.732	(r)471.654	477.752	2.6	(r)1.3
Recreation(5)	W	120.344	121.731	123.636	2.7	1.6
Education and communication(5)	W	147.618	148.032	149.734	1.4	1.1
Other goods and services	W	441.639	446.185	466.271	5.6	4.5
Commodity and service group						
Commodities	W	201.552	(r)199.964	202.088	0.3	(r)1.1
Commodities less food and beverages	** **	172.464	(r)170.271	173.250	0.5	(r)1.7
Nondurables less food and beverages.	M	216.859	(r)214.436	223.682	3.1	(r)4.3
Durables	M	123.942	122.302	120.291	-2.9	-1.6
Services	W	284.038	287.150	291.193	2.5	1.4
Special aggregate indexes						
All items less medical care	W	231.119	231.945	234.919	1.6	1.3
All items less shelter	W	231.785	(r)232.240	234.895	1.3	( <b>r</b> )1.1
Commodities less food	***	175.738	(r)173.610	176.565	0.5	(r)1.7
Nondurables	M	236.463	(r)235.082	239.813	1.4	(r)2.0
Nondurables less food	M	219.828	(r)217.583	226.392	3.0	(r)4.0
Services less rent of shelter(2)	W	299.669	303.461	307.132	2.5	1.2

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods, Pittsburgh, PA (1982-84=100 unless otherwise noted) - Continued

Expenditure category	Indexes				Percent change from	
	Historical data	2nd Half 2015	1st Half 2016	2nd Half 2016	2nd Half 2015	1st Half 2016
Services less medical care services	W	270.267	272.957	276.828	2.4	1.4
Energy	w	229.216	213.303	222.225	-3.0	4.2
All items less energy	W	244.675	(r)247.112	249.792	2.1	(r)1.1
All items less food and energy	W	243.803	(r)246.681	249.813	2.5	(r)1.3

Footnotes(1) This index series was calculated using a Laspeyres estimator. All other item stratum index series converted to a geometric means estimator in January 1999.

- (2) Indexes on a December 1982=100 base.
- (3) Special index based on a substantially smaller sample.
- (4) Indexes on a December 1993=100 base.
- (5) Indexes on a December 1997=100 base.
- (r) Revised

Note: Index applies to a 6-month period as a whole, not to any specific date.